

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:)	Chapter 9
)	
CITY OF DETROIT, MICHIGAN,)	Case No. 13-53846
)	
Debtor.)	Hon. Steven W. Rhodes
_____)	

**UNITED STATES OF AMERICA’S STATEMENT IDENTIFYING ISSUES OF
LAW RELATING TO CONFIRMATION**

The United States of America, on behalf of the Environmental Protection Agency (“EPA”) and the United States Department of Housing and Urban Development (“HUD”), among others, hereby files this statement identifying issues of law relating to confirmation it believes can be determined without the necessity of proof at the confirmation hearing. This Statement is filed in response to the Court’s *Order Regarding Identifying Legal Issues Relating to Confirmation* dated May 23, 2014 (Docket No. 5021).

The United States has objected (Docket No. 4629) to the scope of the discharge and injunction provisions of the Fourth Amended Plan for the Adjustment of Debts of the City of Detroit (the “Plan”) (Docket No. 4392). The United States has requested the Debtor include in any order confirming the Plan a carve out of certain of its rights that it believes are not subject to discharge under 11 U.S.C. § 944 or can otherwise be released or enjoined by the Plan’s terms. Attached as Exhibit A is the requested carve out.¹

¹ Exhibit A is a more limited carve out than the United States’ initial proposal to the Debtor. To date, the Debtor has not responded to that proposal.

The United States believes that the permissible scope of the Plan's discharge and injunction provisions, and the appropriateness of the requested carve out, raise a purely legal issue that can be determined without the necessity of proof at the confirmation hearing and by reference solely to relevant provisions of the United States Code, including the Bankruptcy Code, as well as applicable case law.

Dated: May 27, 2014

Respectfully submitted,

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CERTIFICATE OF SERVICE

I, Matthew J. Troy, hereby certify that the service of this Statement Identifying Legal Issues Relating to Confirmation was filed and served via the Court's electronic case filing and noticing system on May 27, 2014.

/s/ Matthew J. Troy